

ORDINANCE NO. 1238

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI AUTHORIZING THE ISSUANCE OF PUBLIC POWER REVENUE BONDS BY NORTHERN CALIFORNIA POWER AGENCY (NORTH FORK STANISLAUS RIVER HYDROELECTRIC DEVELOPMENT POWER PROJECT) .

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire a project (the "Project") to consist of rights to capacity and energy from the North Fork Stanislaus River Hydroelectric Development Power Project, a hydroelectric project proposed to be constructed in the State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto; and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its revenue bonds and evidences of indebtedness ("Public Power Revenue Bonds") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$750,000,000, for the purpose of providing funds for the acquisition, construction and financing of the Project; and

WHEREAS, the Agency also proposes to issue its Notes (including renewal Notes) for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project; and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Public Power Revenue Bonds proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Public Power Revenue Bonds may be required to complete the financing of the Project; and

WHEREAS, the Agency has entered or will enter into agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase rights to 100% of the capacity and energy of the Project; and

WHEREAS, the Public Power Revenue Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, the Notes are to be payable from proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreement; and

WHEREAS, In accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Public Power Revenue Bonds is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Public Power Revenue Bonds nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the city of Lodi; nor does this Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

1. The issuance and sale by the Agency, from time to time, in one or more installments, of its Public Power Revenue Bonds outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$750,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of its Public Power Revenue Bonds if and to the extent required to complete the financing of the Project. The proceeds from the sale of the Public Power Revenue Bonds hereby authorized are to be used for the acquisition, construction and financing of the Project, including interest on such Bonds and deposits to reserves, and to pay the principal, premium, if any,

and interest on the Notes of the Agency when due.

The Public Power Revenue Bonds hereby authorized, and premium and interest thereon, are to be payable from, and secured by, funds held in trust for the benefit of the holders of Public Power Revenue Bonds and from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.

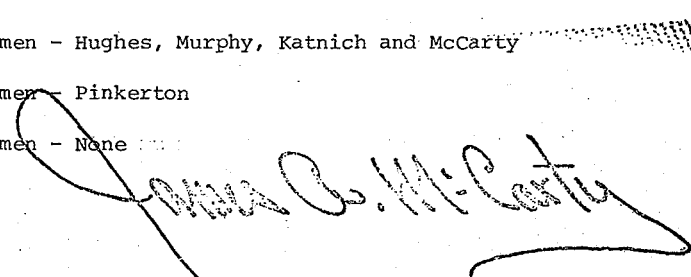
2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.
3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6040.1 of the Government Code of the State of California.
4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi, this 21st day of October, 1981 by the following vote:


Ayes: Councilmen - Hughes, Murphy, Katnich and McCarty

Noes: Councilmen - Pinkerton

Absent: Councilmen - None


JAMES A. McCARTY
Mayor

Attest:


ALICE M. REIMCHE
City Clerk